



BUREAU OF THE
Fiscal Service
U.S. DEPARTMENT OF THE TREASURY

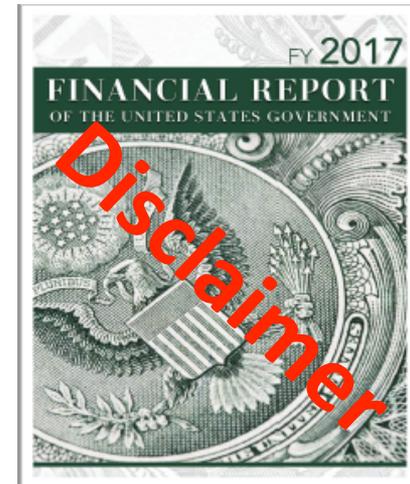
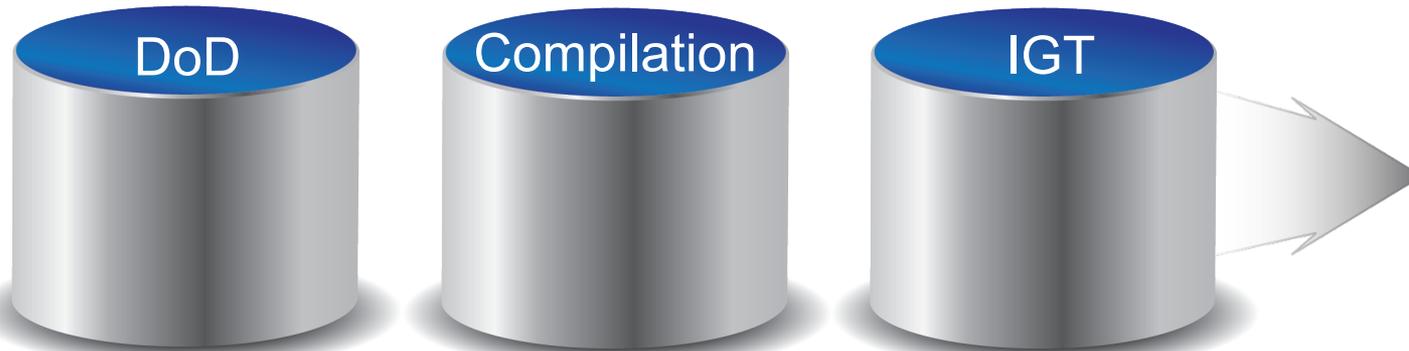
GTAS and Closing Package Update

Jaime M. Saling
April 18, 2018

The Issue: A Disclaimer of Opinion

Since 1997, the Bureau of the Fiscal Service has compiled agency financial data to prepare the consolidated Financial Report of the U.S. Government, and has consecutively received a disclaimer from GAO.

Three Primary Impediments





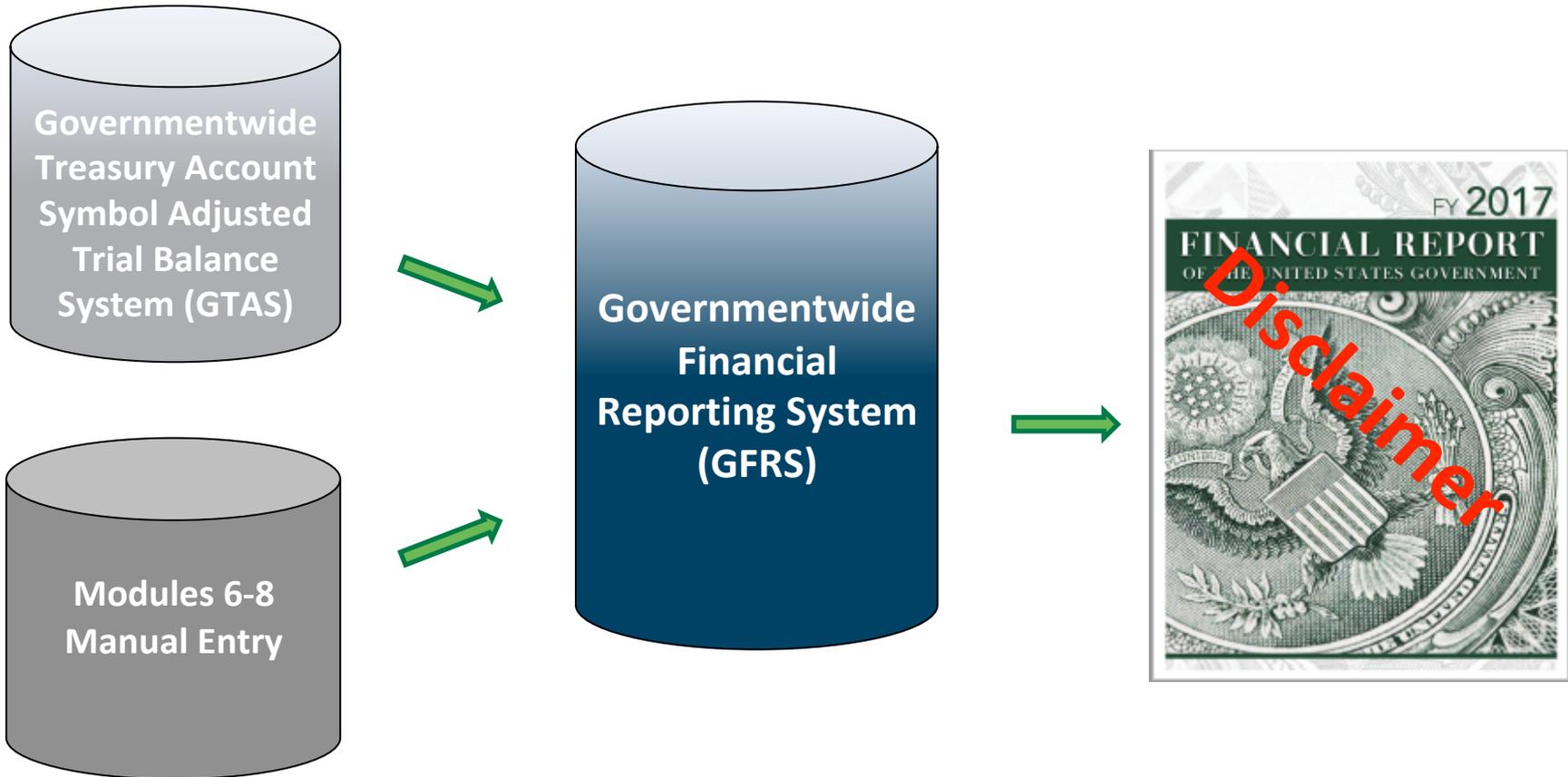
70%

GTAS Update

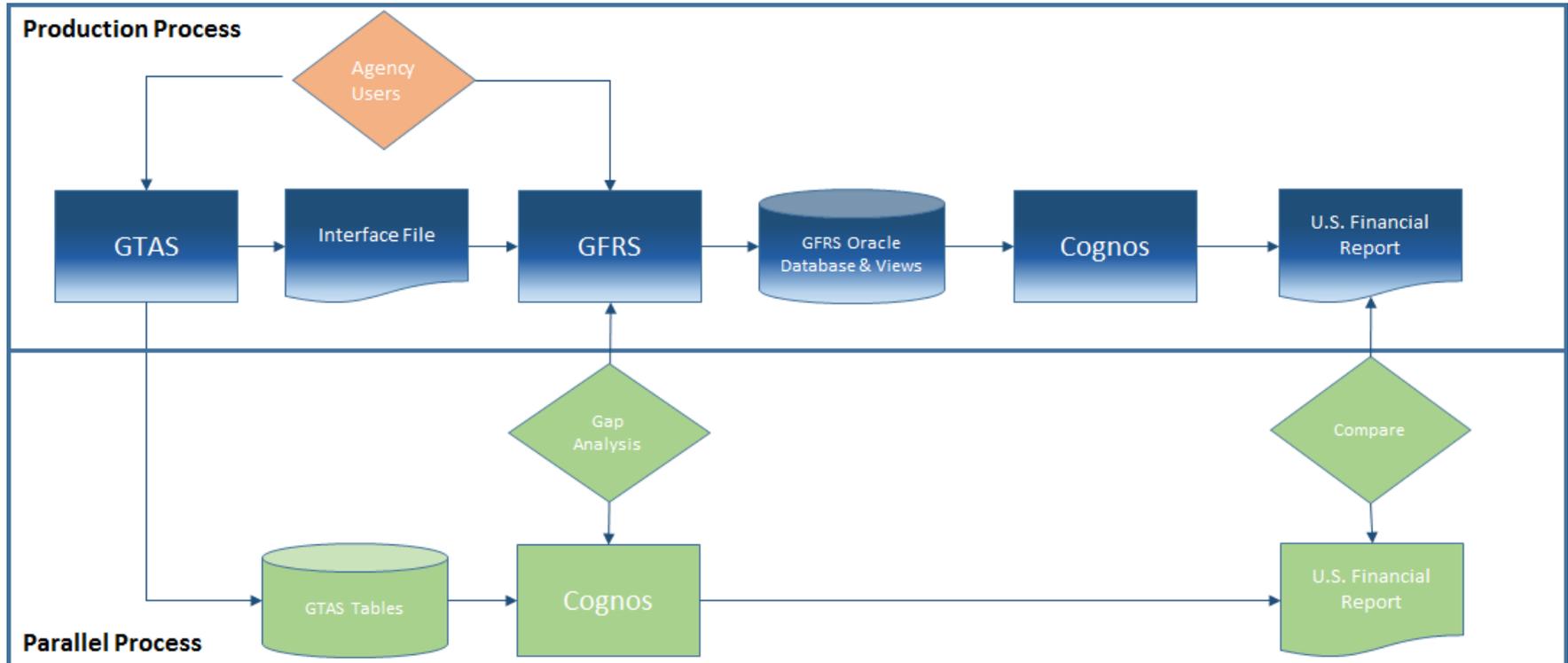
- FY 2018 Reporting
 - No changes to closing package process
- FY 2019 Reporting



Current State



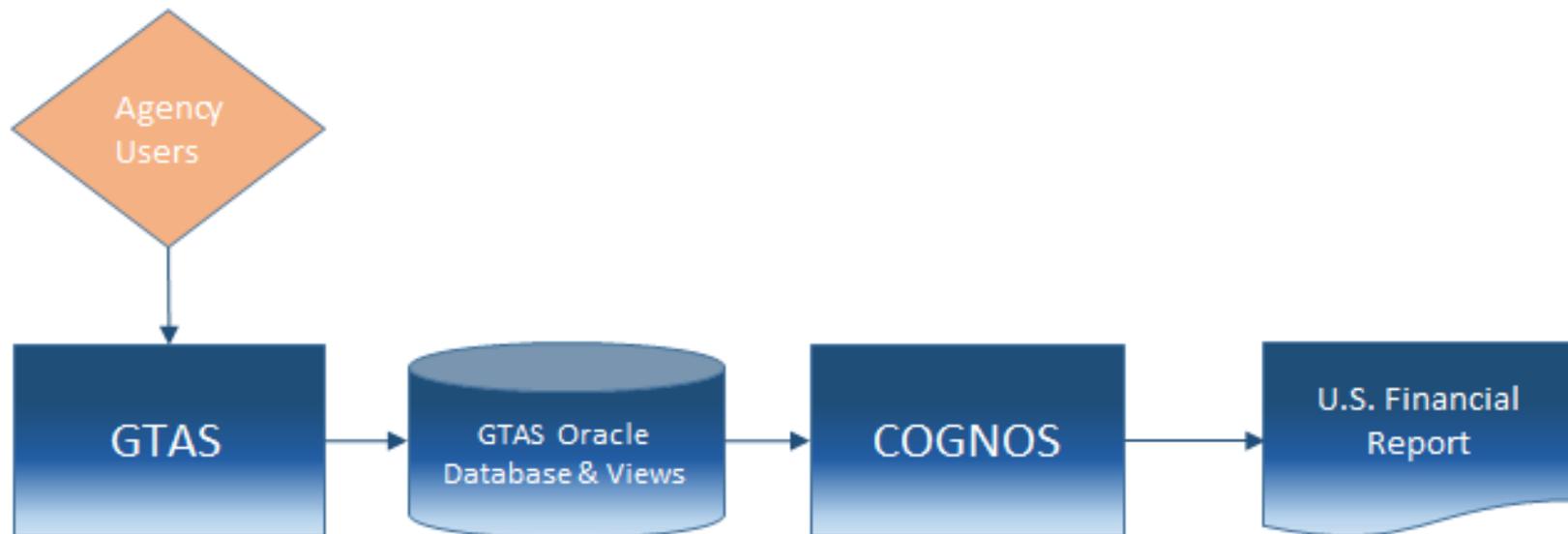
System Environment for FR Compilation - FY 2018



Phase 1 Objectives:

- Gap analysis between GFRS/Cognos
- Compare production FR to FR produced from the parallel process
- Identify back office changes needed to support the new process (agency certifications and closing package procedures)

System Environment for FR Compilation - FY 2019



Phase 2 Objectives:

- Position FA to decommission GFRS
- Single point of entry for agency users
- Modernize certifications for Closing Package approvers
- Continue to support traceability between agency audited financial statements and governmentwide statements

What Does this Mean to You?

FY 2018

- **No Changes** to the Closing Package Process

FY 2019

- No more GFRS!
- Is a full financial audit needed on the Closing Package? (AUPs or Examination)



12 Remain...

We need your help!



Progress: Compilation Impediment

- Preparation of the Financial Report
 - Legal Letters – Usage of Unable to Determine
 - Criminal Debt
 - Risk Assumed
 - System User Accounts



Plans: Compilation Impediment

- Preparation of the Financial Report
 - Legal Representation Letters - Aggregate
 - Management Schedules
 - Four agencies with higher thresholds
 - Treaties
 - TFM 2-4700 Section 4705.65
 - Category 1 – No commitment to spend money
 - Category 2 – Commitment to spend money
 - Category 3 – Potential obligation to spend money

Reporting Entity

- Determining the organizations and entities included in the consolidated reporting entity for the *Financial Report*
 - Effective October 1, 2017
 - TFM 2-4700 Appendix 5b
 - Agency review and concurrence annually
 - Auditor preliminary review by July 2018

Progress: Compilation Impediment

- Budget Statements
 - Document the “why” behind each reconciling line
 - Analyze the “other” lines
 - Line analysis to tie to audited financial statements
 - Audit assurance over the Budget Deficit

Intragovernmental Impediment

IGT Data Quality



Completing the IGT Model

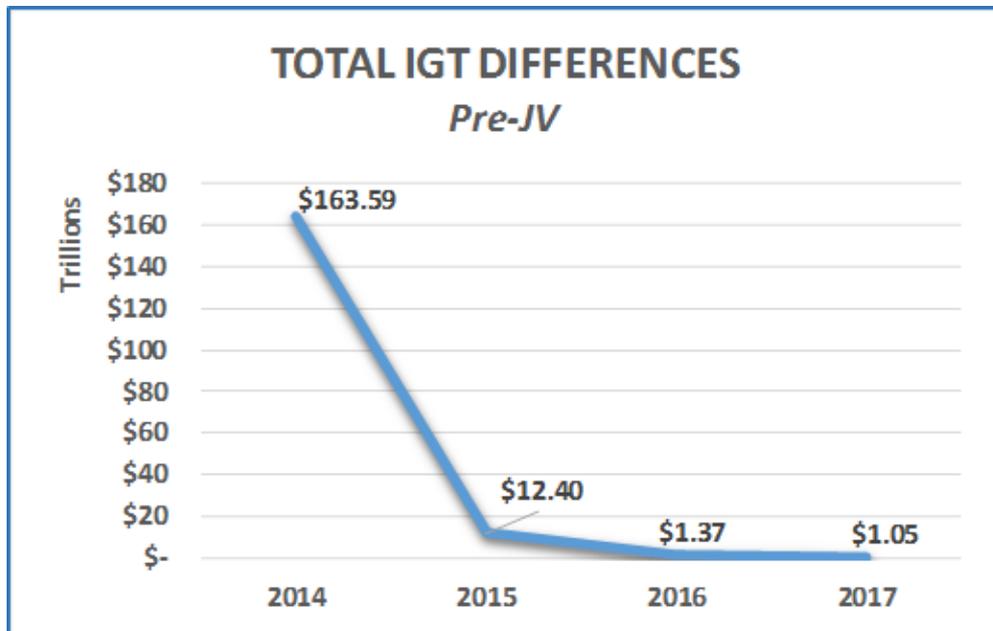
IGT Accomplishments – Trend Analysis

Pre-JV Differences between FY16 and FY17 reduced by 23% or \$321Billion.

INTRAGOVERNMENTAL DIFFERENCES FY14-FY17

Pre-JV

FISCAL YEAR	TOTAL IGT DIFFERENCES
2014	\$ 163,589,925,945,410.00
2015	\$ 12,399,948,566,047.10
2016	\$ 1,369,805,741,908.21
2017	\$ 1,048,461,073,065.37





Agency Name (Agency Acronym) Intragovernmental Transactions (IGT) Scorecard - DRAFT

Source Data: FY20XX, QX

Objective: To highlight Intragovernmental differences requiring attention, identify root causes, and monitor agency progress on implementing corrective action plans for addressing the differences.

Summary:

Below is a snapshot of the agency's Intragovernmental Transactions (IGT) scorecard:

- Ranking: **Agency Acronym** ranks as the **Xth LARGEST** contributor for total IGT differences.
- Reconciliation items:
 - Buy/Sell total IGT differences of \$XXX Million.
 - Transfers total IGT differences of \$XX Million.
- Agency was compliant with **X** out of 2 Treasury Authoritative Sources.
- Agency was in balance with **X** out of 2 Non-Treasury Authoritative Sources.
- There were minimal or no reported differences in the following sub-categories:
 - Investments and Borrowings
- Non-Verifying/ Non-Reporting differences:

Judiciary/Legislative*	Office of Administration
\$ 5,223,430,212.12	\$ 91,735,823,650.77

*Note: Judiciary/Legislative entity differences are excluded from the reported IGT difference amounts in this scorecard. However, these differences are being monitored accordingly.

Agency Contribution to IGT Difference:

Change	Rank	Agency Name	Total Differences
↑	6	Department of Homeland Security	
↔	7	General Services Administration	
↔	8	Department of the Army	
↑	9	Department of Justice	
↑	10	Railroad Retirement Board	

As of QX, the agency has approximately \$XX _____ in IGT differences and is the XXth largest contributor to total IGT differences.

Agency Sub-Category Breakout:



Differences by IGT Sub-Category:

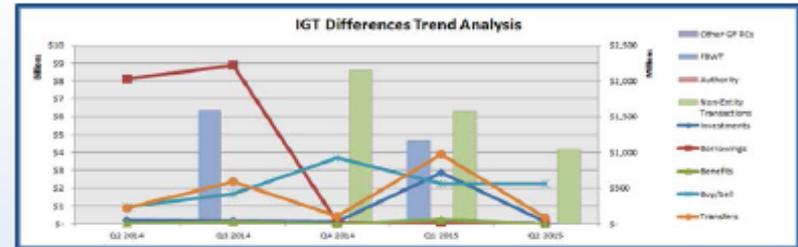
Investments	Borrowings	Benefits	Buy/Sell	Transfers
\$ 116,984,824.62	\$ 9,050,042.66	\$ 17,674,856.81	\$ 2,238,596,940.07	\$ 358,343,140.44

Differences by General Fund Sub-Category:

Fund Balance With Treasury (FBWT)	Authority	Non-Entity Transactions	Other GF RCs
\$ 39,859,229.29	-	\$ 1,035,588,190.73	\$ 23,712,766.85

- The largest differences were reported in the _____ sub-category.
- XX% of differences in the _____ sub-category are located in _____.
- Minimal or no differences were reported in the Investments and Borrowings sub-categories.

Quarter-to-Quarter Snapshot:



Change in Differences from Previous Quarter:

Investments	Borrowings	Benefits	Buy/Sell	Transfers
(\$2,728,108,229.50)	(\$78,091,350.51)	(\$208,325,896.66)	(\$22,538,281.73)	(\$3,525,026,934.71)
-96%	-90%	-92%	-1%	-91%
FBWT	Authority	Non-Entity Transactions	Other GF RCs	
(\$1,121,198,513.26)	\$0.00	(\$541,489,241.77)	\$23,712,766.85	
-87%	0%	-34%	+100%	

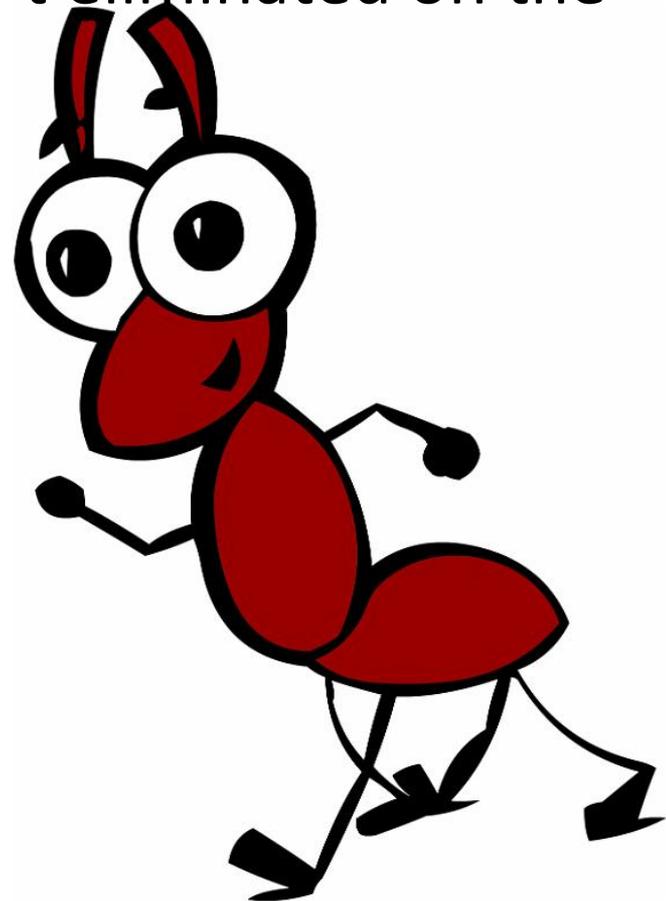
- Total IGT differences _____ by \$X _____ from the previous quarter.
- The OPM Benefits and Transfers sub-categories experienced a _____ in reported differences.
- The _____ (\$X _____) _____ was the largest contributor to the overall _____.

Increase
Decrease

Findings presented on this scorecard are generated using unadjusted data reported to Fiscal Service, quarterly.
 FS Form TP Code-20XX QX- _____ DEPARTMENT OF THE TREASURY FISCAL SERVICE

Intradepartmental (Intra-entity) IGT Data

Why do we care about the “immaterial”
Intradepartmental data that isn’t eliminated on the
agency financial statements?



Future IGT Plans

- Continue the following initiatives:
 - Intragovernmental Scorecard Program
 - Monitor the Root Cause Analysis and Corrective Action Plan documentation provided by the agencies
 - Material Difference Reporting and Certification
- Evaluate the usage of “non-reciprocating” USSGL accounts
- Enhance TFM 2-4700 guidance (Appendix 10) on Intragovernmental Business Rules
- Improve or develop USSGL guidance impacting IGT
- Support the G-Invoicing Initiative aimed at improving communication and reducing differences in the Buy/Sell Sub-Category

How you can help...

- Reevaluate the thresholds set by the agency and auditors for Legal Representation letters if it is close to governmentwide
- Include Treaties and Other International Agreements as part of audit procedures
- Perform a preliminary review of the reporting entity by July 2018
- Become familiar with the top level journal vouchers that Treasury does on audited data and try to address at the agency level
- Ensure there are valid reasons that Intradepartmental (Intra-entity) Data is on Agencies Audited Financial Statements.
- Ensure valid and supported reasons for manual adjustments needed to reconcile GTAS data to Agencies Audited Financial Statements
- Provide input through FSAN on future audit model for Closing Package in FY 2019

Contact Information



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